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COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
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December 4, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST FOR APPROVAL TO NEGOTIATE AND AMEND AGREEMENT NO. H-207535
WITH STEVEN HIRSCH & ASSOCIATES FOR THE PROVISION OF INFECTION
CONTROL SERVICES AT RANCHO LOS AMIGOS NATIONAL REHABILITATION
CENTER (4th District) 3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of Health Services, or his designee, to negotiate and execute, upon review and approval by County Counsel, Amendment No. 3 to Infection Control Services Agreement No. H-207535 with Steven Hirsch & Associates to: 1) extend the term of the agreement on a month-to-month basis for up to twelve (12) months with expiration no later than December 31, 2004, pending the status of Rancho Los Amigos National Rehabilitation Center and agreement by both parties; and 2) increase the monthly rate, maximum weekly service hours, and maximum obligation for the period January 1, 2004 through December 31, 2004, in accordance with the parameters set forth in this letter.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving the recommended actions, the Board is delegating authority to the Director of Health Services, or his designee, to negotiate and execute an agreement amendment with Steven Hirsch & Associates ("Contractor") to continue the provision of infection control ("IC") services at Rancho Los Amigos National Rehabilitation Center ("Rancho").

The IC Services Agreement No. H-207535 ("Agreement") was approved by your Board on April 30, 2002, and subsequently amended and extended through December 31, 2003, with the understanding that the Department would utilize a County employee certified to perform such services effective January 1, 2004. However, Rancho Los Amigos recently advised the Department that the IC Program manager, who is the only employee certified to perform such IC services, will be leaving County service on or before December 31, 2003. As a result, in addition to the services now performed by Contractor, the Department will need to rely on the Contractor to perform certain services, which were previously provided by Rancho staff. While such services were within the Agreement's scope of work, the Department requested Contractor to perform the high priority surveillance activities within the limited hours allowed under the Agreement. Given the uncertainty of Rancho's future, it is highly unlikely that the Department will be able to recruit and hire a qualified person, or find another contractor to perform IC services before the current Agreement expires.

Current County policy and guidelines require the timely submission of contracts for Board approval. However, this amendment was not scheduled for placement on the Board's agenda three weeks prior to the effective dates because of the unforeseen departure of staff scheduled to assume the IC duties upon expiration of the current Agreement.

FISCAL IMPACT/FINANCING

Under the Agreement, the County pays the Contractor a fixed fee of \$3,560.55 per month for the provision of IC Surveillance and Prevention Services and limits the Contractor's obligation to sixteen (16) service hours per week even though performance of the services within the scope of work would take longer. The maximum obligation of the Agreement is \$69,854.60 during the period April 30, 2002 through December 31, 2003.

The Department plans to increase the maximum number of service hours per week from 16 to 20 hours to enable Contractor to perform certain services currently provided by the IC Program manager. It also plans to allow for a rate increase not to exceed 4.8 percent of the current monthly rate requested by Contractor. Such increase is necessary to offset Contractor's rising costs to provide services under the Agreement (80% increase in Workers Compensation premiums, 18% increase in professional liability premiums, 14.6% increase in health insurance costs, and 3.75% increase in salaries), and to ensure continuity of IC Program services required by State regulations and Joint Commission on Accreditation of Healthcare Organizations ("JCAHO") standards after the expiration of the current Agreement for the reasons explained heretofore. As a result, the Department estimates that the maximum obligation during the twelve (12) month period will not exceed \$56,000.

Funding for this Agreement through June 30, 2004 is included in DHS' Fiscal Year 2003-04 Adopted Budget. If necessary, the Department shall include funding for the Fiscal Year 2004-05 Budget for the period July 1, 2004 through December 31, 2004.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

An IC surveillance and protection services program is mandated by Title 22 of the California Code of Regulations and by JCAHO, under the JCAHO standards. Such program must be managed by one or more individuals who have successfully completed a course of study in IC, and is certified to perform such services.

The Honorable Board of Supervisors
December 5, 2003
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This Agreement was originally approved on April 30, 2002, for a 14-month term ending June 30, 2003, and was amended twice to revise certain terms and conditions and extend the Agreement through December 31, 2003.

Attachment A provides additional information.

The negotiated Amendment No. 3 will be reviewed and approved by County Counsel and the Chief Administrative Office prior to execution.

CONTRACTING PROCESS:

This is an amendment to a sole source agreement, therefore, the services were not advertised on the Los Angeles County Website as a business opportunity.

IMPACT ON SERVICES (OR PROJECTS):

IC services will continue uninterrupted as required by JCAHO and State licensing requirements.

When approved, DHS requires four signed copies of the Board's action.

Respectfully submitted,

Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:ck

Attachment (1)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

BLET/CD3114.CK

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

Infection Control Surveillance and Prevention Services

2. AGENCY ADDRESS AND CONTACT PERSON:

Steven R. Hirsch, President
Steven Hirsch & Associates
Centennial Plaza
18837 Brookhurst Street, Suite 209
Fountain Valley, CA 92708-7302
Telephone: (714) 965-2800
Fax: (714) 962-3800

3. TERM:

Agreement No. H207535 is effective through December 31, 2004. Amendment No. 3 will extend the term of the Agreement on a month-to-month basis for up to twelve (12) months with expiration no later than December 31, 2004, pending the status of Rancho and agreement by both parties.

4. FINANCIAL INFORMATION:

The Department estimates that the maximum obligation of Amendment No 3 to Agreement No. H207535 will not exceed \$56,000.

Funding for this Agreement through June 30, 2004 is included in DHS' Fiscal Year 2003-04 Adopted Budget. If necessary, the Department shall include funding for the Fiscal Year 2004-05 Budget for the period July 1, 2004 through December 31, 2004.

5. APPROVALS:

Rancho Los Amigos National Rehabilitation Center: Consuelo C. Diaz, CEO

Contracts and Grants Division: Riley Austin, Acting Chief

County Counsel (approval as to form): Anita D. Lee, Principal Deputy